

JUNE 4, 1976

THE PUERTO RICO SUMMIT

ANNCR: VOA NEWS ANALYST RONALD J. DUNLAVEY DISCUSSES THE COMING INTERNATIONAL ECONOMIC SUMMIT MEETING IN PUERTO RICO:

VOICE: " RAMBOUILLET TWO" -- THAT'S THE NICKNAME ALREADY BEING GIVEN TO THE INTERNATIONAL ECONOMIC SUMMIT PLANNED FOR PUERTO RICO ON JUNE TWENTY-SEVENTH AND TWENTY-EIGHTH. THE REASON IS OBVIOUS: THE PUERTO RICO CONFERENCE IS PROJECTED AS A CONTINUATION OF THE MEETING HELD AT RAMBOUILLET, FRANCE, LAST NOVEMBER TO DISCUSS THE ECONOMIC PROBLEMS OF THE INDUSTRIAL DEMOCRACIES AND THEIR ECONOMIC RELATION TO THE REST OF THE WORLD. THIS TIME, HOWEVER, THERE WILL BE SEVEN PARTICIPANTS; CANADA HAS BEEN INVITED IN ADDITION TO FRANCE, BRITAIN, ITALY, JAPAN, WEST GERMANY AND THE UNITED STATES.

THE CHIEF REASON GIVEN FOR THE NEW SUMMIT IS THE NEED FOR THE INDUSTRIAL DEMOCRACIES TO CONTINUE THE PROCESS BEGUN AT RAMBOUILLET--THAT IS, TO COORDINATE THEIR ECONOMIC POLICIES AS MUCH AS POSSIBLE. THIS, IT IS FELT, WILL ENABLE THEM TO ANTICIPATE ECONOMIC CRISES RATHER THAN MERELY REACT TO THEM. AND IT WILL ALSO HELP THE INDUSTRIAL DEMOCRACIES TO COORDINATE THEIR POSITIONS IN NEGOTIATIONS WITH THE DEVELOPING COUNTRIES.

(OPT) SUCH COORDINATION-- WHICH, IT IS FELT, WOULD BE BENEFICIAL TO BOTH INDUSTRIAL AND DEVELOPING NATIONS-- WAS SOMETIMES LACKING AT THE RECENT NAIROBI CONFERENCE ON TRADE AND DEVELOPMENT. (END OPT.)

THE IDEA OF ANTICIPATING ECONOMIC CRISES IS FELT TO BE PARTICULARLY IMPORTANT AT THIS TIME BECAUSE OF THE APPARENTLY RAPID RATE OF ECONOMIC RECOVERY IN THE INDUSTRIAL NATIONS-- A RATE IN EXCESS OF WHAT WAS ANTICIPATED LAST

NOVEMBER. THE AIM IS TO TRY TO CONTROL THIS GROWTH RATE SO THAT IT DOES NOT LEAD TO NEW AND GREATER INFLATION AND THE DANGER OF ANOTHER PERIOD OF RECESSION.

NO DRAMATIC ANNOUNCEMENTS ARE EXPECTED TO COME OUT OF THE PUERTO RICO SUMMIT, THE EMPHASIS IS TO BE ON CONSULTATION AND ON THE EXCHANGE OF IDEAS. BECAUSE OF THIS LOW-PRESSURE ATMOSPHERE-- AND BECAUSE THIS IS ELECTION YEAR IN THE UNITED STATES AND OTHER INDUSTRIAL DEMOCRACIES-- THE QUESTION HAS BEEN RAISED WHETHER THE PUERTO RICO SUMMIT IS MOTIVATED BY DOMESTIC POLITICAL CONSIDERATIONS.

THE ANSWER OF THE FORD ADMINISTRATION-- GIVEN BY SECRETARY OF STATE KISSINGER AND SECRETARY OF THE TREASURY WILLIAM SIMON-- IS THAT IMPORTANT INTERNATIONAL ISSUES MUST BE DEALT WITH EVEN IN AN ELECTION YEAR, AND THAT PARTISAN POLITICAL CONSIDERATIONS HAD NOTHING TO DO WITH PROPOSING THE SUMMIT. IT CAN BE SAID WITH A FAIR DEGREE OF CERTAINTY THAT THIS WILL PROBABLY NOT QUELL THE SUSPICIONS OF PRESIDENT FORD'S CRITICS AND POLITICAL OPPONENTS.

(OPT.) FOR, AS THE NEW YORK TIMES REMARKED FRIDAY MORNING: " TRIPS ABROAD AND MEETINGS WITH FOREIGN LEADERS HAVE TRADITIONALLY ENHANCED THE DOMESTIC POLITICAL POSITION OF AMERICAN PRESIDENTS." (END OPT.) BUT MR. FORD AND HIS ADVISORS TAKE THE POSITION THAT THE ECONOMIC INTERDEPENDENCE OF THE INDUSTRIAL DEMOCRACIES AND THE NEED FOR COORDINATED DECISIONS MORE THAN JUSTIFY THE PROCESS OF PERIODIC HIGH-LEVEL CONSULTATION-- EVEN AT THE RISK OF POLITICAL CRITICISM.